**ATTACHMENT CV-5012** 

### **CIVIL LAWSUIT NOTICE**

Superior Court of California, County of Santa Clara 191 N. First St., San Jose, CA 95113 CASE NUMBER: 110 C V 181091

## PLEASE READ THIS ENTIRE FORM

<u>PLAINTIFF</u> (the person suing): Within 60 days after filing the lawsuit, you must serve each Defendant with the *Complaint*, Summons, an Alternative Dispute Resolution (ADR) Information Sheet, and a copy of this Civil Lawsuit Notice, and you must file written proof of such service.

## **DEFENDANT** (The person sued): You must do each of the following to protect your rights:

- 1. You must file a written response to the Complaint, using the proper legal form or format, in the Clerk's Office of the Court, within 30 days of the date you were served with the Summons and Complaint;
- 2. You must serve by mail a copy of your written response on the Plaintiff's attorney or on the Plaintiff has no attorney (to "serve by mail" means to have an adult other than yourself mail a copy); and
- 3. You must attend the first Case Management Conference.

Warning: If you, as the Defendant, do not follow these instructions, you may automatically lose this case.

RULES AND FORMS: You must follow the California Rules of Court and the Superior Court of California, County of Santa Clara Local Civil Rules and use proper forms. You can obtain legal information, view the rules and receive forms, free of charge, from the Self-Help Center at 99 Notre Dame Avenue, San Jose (408-882-2900 x-2926), <a href="https://www.scselfservice.org">www.scselfservice.org</a> (Select "Civit") or from:

- State Rules and Judicial Council Forms: www.courtinfo.ca.gov/forms and www.courtinfo.ca.gov/rules
- Local Rules and Forms: http://www.sccsuperiorcourt.org/civil/rule1toc.htm

<u>CASE MANAGEMENT CONFERENCE (CMC):</u> You must meet with the other parties and discuss the case, in person or by telephone, at least 30 calendar days before the CMC. You must also fill out, file and serve a Case Management Statement (Judicial Council form CM-110) at least 15 calendar days before the CMC.

You or your attorney must appear at the CMC. You may ask to appear by telephone – see Local Civil Rule 8.

Your Case Managen	ent Judge is: Honorable Kevin Mo	cKenney	Department: 21
The 1st CMC is sched	duled for: (Completed by Clerk of Court)		
	Date: JAN 1 8 2011	Time: 2:15 pr	n in Department: 21
The next CMC is sch	eduled for: (Completed by party if the 1st	FCMC was continued	for has passed)
	Date:	Time:	in Department:

ALTERNATIVE DISPUTE RESOLUTION (ADR): If all parties have appeared and filed a completed ADR Stipulation Form (local form CV-5008) at least 15 days before the CMC, the Court will cancel the CMC and mail notice of an ADR Status Conference. Visit the Court's website at <a href="www.sccsuperiorcourt.org/civil/ADR/">www.sccsuperiorcourt.org/civil/ADR/</a> or call the ADR Administrator (408-882-2100 x-2530) for a list of ADR providers and their qualifications, services, and fees.

WARNING: Sanctions may be imposed if you do not follow the California Rules of Court or the Local Rules of Court.

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Form CV-5012 REV 7/01/08	CIVIL LAWSUIT NOTICE	Page 1 of 1

## SUPERIOR COURT OF CALIFORNIA, COUNTY OF SANTA CLARA ALTERNATIVE DISPUTE RESOLUTION INFORMATION SHEET / CIVIL DIVISION

Many cases can be resolved to the satisfaction of all parties without the necessity of traditional litigation, which can be expensive, time consuming, and stressful. The Court finds that it is in the best interests of the parties that they participate in alternatives to traditional litigation, including arbitration, mediation, neutral evaluation, special masters and referees, and settlement conferences. Therefore, all matters shall be referred to an appropriate form of Alternative Dispute Resolution (ADR) before they are set for trial, unless there is good cause to dispense with the ADR requirement.

#### What is ADR?

ADR is the general term for a wide variety of dispute resolution processes that are alternatives to litigation. Types of ADR processes include mediation, arbitration, neutral evaluation, special masters and referees, and settlement conferences, among others forms.

What are the advantages of choosing ADR instead of litigation?

ADR can have a number of advantages over litigation:

- < ADR can save time. A dispute can be resolved in a matter of months, or even weeks, while litigation can take years.
- < ADR can save money. Attorney's fees, court costs, and expert fees can be reduced or avoided altogether.
- < ADR provides more participation. Parties have more opportunities with ADR to express their interests and concerns, instead of focusing exclusively on legal rights.
- < ADR provides more control and flexibility. Parties can choose the ADR process that is most likely to bring a satisfactory resolution to their dispute.
- < ADR can reduce stress. ADR encourages cooperation and communication, while discouraging the adversarial atmosphere of litigation. Surveys of parties who have participated in an ADR process have found much greater satisfaction than with parties who have gone through litigation.

What are the main forms of ADR offered by the Court?

- < Mediation is an informal, confidential, flexible and non-binding process in the mediator helps the parties to understand the interests of everyone involved, and their practical and legal choices. The mediator helps the parties to communicate better, explore legal and practical settlement options, and reach an acceptable solution of the problem. The mediator does not decide the solution to the dispute; the parties do.
- < Mediation may be appropriate when:
  - < The parties want a non-adversary procedure
  - < The parties have a continuing business or personal relationship
  - < Communication problems are interfering with a resolution
  - < There is an emotional element involved
  - < The parties are interested in an injunction, consent decree, or other form of equitable relief</p>
- Neutral evaluation, sometimes called "Early Neutral Evaluation" or "ENE", is an informal process in which the evaluator, an experienced neutral lawyer, hears a compact presentation of both sides of the case, gives a non-binding assessment of the strengths and weaknesses on each side, and predicts the likely outcome. The evaluator can help parties to identify issues, prepare stipulations, and draft discovery plans. The parties may use the neutral's evaluation to discuss settlement.

Neutral evaluation may be appropriate when:

- < The parties are far apart in their view of the law or value of the case
- The case involves a technical issue in which the evaluator has expertise
- < Case planning assistance would be helpful and would save legal fees and costs
- < The parties are interested in an injunction, consent decree, or other form of equitable relief

-over-

< Arbitration is a less formal process than a trial, with no jury. The arbitrator hears the evidence and arguments of the parties, then makes a written decision. The parties can agree to binding or non-binding arbitration. In binding arbitration, the arbitrator's decision is final and completely resolves the case, without the opportunity for appeal. In non-binding arbitration, the arbitrator's decision could resolve the case, without the opportunity for appeal, unless a party timely rejects the arbitrator's decision within 30 days and requests a trial. Private arbitrators are allowed to charge for their time.</p>

Arbitration may be appropriate when:

- < The action is for personal injury, property damage, or breach of contract
- < Only monetary damages are sought
- < Witness testimony, under oath, needs to be evaluated
- < An advisory opinion is sought from an experienced litigator (if a non-binding arbitration)</p>

< Civil Judge ADR allows parties to have a mediation or settlement conference with an experienced judge of the Superior Court. Mediation is an informal, confidential, flexible and non-binding process in which the judge helps the parties to understand the interests of everyone involved, and their practical and legal choices. A settlement conference is an informal process in which the judge meets with the parties or their attorneys, hears the facts of the dispute, helps identify issues to be resolved, and normally suggests a resolution that the parties may accept or use as a basis for further negotiations. The request for mediation or settlement conference may be made promptly by stipulation (agreement) upon the filing of the Civil complaint and the answer. There is no charge for this service.</p>

Civil Judge ADR may be appropriate when:

- < The parties have complex facts to review
- < The case involves multiple parties and problems
- < The courthouse surroundings would be helpful to the settlement process

< Special masters and referees are neutral parties who may be appointed by the court to obtain information or to make specific fact findings that may lead to a resolution of a dispute.

Special masters and referees can be particularly effective in complex cases with a number of parties, like construction disputes.

< Settlement conferences are informal processes in which the neutral (a judge or an experienced attorney) meets with the parties or their attorneys, hears the facts of the dispute, helps identify issues to be resolved, and normally suggests a resolution that the parties may accept or use as a basis for further negotiations.

Settlement conferences can be effective when the authority or expertise of the judge or experienced attorney may help the parties reach a resolution.

#### What kind of disputes can be resolved by ADR?

Although some disputes must go to court, almost any dispute can be resolved through ADR. This includes disputes involving business matters; civil rights; collections; corporations; construction; consumer protection; contracts; copyrights; defamation; disabilities; discrimination; employment; environmental problems; fraud; harassment; health care; housing; insurance; intellectual property; labor; landlord/tenant; media; medical malpractice and other professional negligence; neighborhood problems; partnerships; patents; personal injury; probate; product liability; property damage; real estate; securities; sports; trade secret; and wrongful death, among other matters.

Where can you get assistance with selecting an appropriate form of ADR and a neutral for your case, information about ADR procedures, or answers to other questions about ADR?

Contact: Santa Clara County Superior Court ADR Administrator 408-882-2530

Santa Clara County DRPA Coordinator 408-792-2704

# Case 5:10-cv-04145-JW Document 1-1 Filed 09/15/10 Page 4 of 21

		CM-010		
ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Barn	umber, and address)	FOR COURT USE ONLY		
GREGORY D. HULL, SB# 57367		}		
WEIL, GOTSHAL & MANGES LLP		ENDURSED		
201 Redwood Shores Parkway				
2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2		FLED		
Redwood Shores, CA 94065				
TELEPHONE NO.:	FAX NO. Fax No. 650-802-3100	000 000 01 00 3:29		
ATTORNEY FOR (Name): APPLE INC. SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAM	TUN OI NON			
STREET ADDRESS: 191 North First S		W. W.		
MAILING ADDRESS:		300 - 100 -		
CITY AND ZIP CODE: San Jose, CA 9511	.3			
BRANCH NAME				
CASE NAME: APPLE V. EASTMAN K	ODAK			
ONUE CASE COVER OVERT	Complex Case Designation	CASE NI MOSE A L. 7 . 7 . 7 . 7		
CIVIL CASE COVER SHEET  X Unlimited Limited	Counter Joinder	CASE NTHOUSE C. V 181091		
(Amount (Amount				
demanded demanded is	Filed with first appearance by defenda	!		
exceeds \$25,000) \$25,000 or less)	(Cal. Rules of Court, rule 3.402)	DEPT		
	ow must be completed (see instructions	on page 2).		
1. Check one box below for the case type that i	•	Provided a martin Company (1997)		
Auto Tort	Contract	Provisionally Complex Civil Litigation		
Auto (22)	X Breach of contract/warranty (06)	(Cal. Rules of Court, rules 3.400-3.403)		
Uninsured motorist (46)	Rule 3.740 collections (09)	Antitrust/Trade regulation (03)		
Other Pi/PD/WD (Personal Injury/Property Damage/Wrongful Death) Tort	Other collections (09)	Construction defect (10)		
	Insurance coverage (18)	Mass tort (40)		
Asbestos (04)	Other contract (37)	Securities litigation (28)		
Product liability (24)	Real Property	Environmental/Toxic tort (30)		
Medical malpractice (45)	Eminent domain/inverse	Insurance coverage claims arising from the		
Other PI/PD/WD (23)	condemnation (14)	above listed provisionally complex case		
Non-PI/PD/WD (Other) Tort	Wrongful eviction (33)	types (41)		
Business tort/unfair business practice (07)	Other real property (26)	Enforcement of Judgment		
Civil rights (08)	Unlawful Detainer	Enforcement of judgment (20)		
Defamation (13)	Commercial (31)	Miscellaneous Civil Complaint		
Fraud (16)	Residential (32)	RICO (27)		
Intellectual property (19)	Drugs (38)	Other complaint (not specified above) (42)		
Professional negligence (25)	Judicial Review	Miscellaneous Civil Petition		
1 1 111				
Other non-PI/PD/WD tort (35)	Asset forfeiture (05)	Partnership and corporate governance (21)		
Employment	Petition re: arbitration award (11)	Other petition (not specified above) (43)		
Wrongful termination (36)	Writ of mandate (02)			
Other employment (15)	Other judicial review (39)			
2. This case $ \underline{\hspace{0.1cm}} $ is $ \underline{\hspace{0.1cm}} $ is not comple	ex under rule 3.400 of the California Rule	es of Court. If the case is complex, mark the		
factors requiring exceptional judicial manage		ar. Maria		
a. Large number of separately represe	·			
b. Extensive motion practice raising di		ith related actions pending in one or more courts		
issues that will be time-consuming to		es, states, or countries, or in a federal court		
c. Substantial amount of documentary		tjudgment judicial supervision		
3. Remedies sought (check all that apply): a. [	monetary b. Lx_l nonmonetary; de	eclaratory or injunctive relief c. (x) punitive		
4. Number of causes of action (specify): Fiv	e			
	action suit.			
6. If there are any known related cases, file and		av use form CM 045 \		
Date: August 26, 2010	r serve a notice of related case. Life m	ay use form Civi-010.)		
GREGORY D. HULL, SB# 57367	100	rosa la Hard O		
(TYPE OR PRINT NAME)	(SIGN	ATURE OF PARTY OR ATTORNEY FOR PARTY)		
,	NOTICE	,		
<ul> <li>Plaintiff must file this cover sheet with the first</li> </ul>	t paper filed in the action or proceeding	(except small claims cases or cases filed		
under the Probate Code, Family Code, or We	lfare and Institutions Code). (Cal. Rules	of Court, rule 3.220.) Failure to file may result		
in sanctions.	shoot required by least according			
<ul> <li>File this cover sheet in addition to any cover sheet required by local court rule.</li> <li>If this case is complex under rule 3.400 et seq. of the California Rules of Court, you must serve a copy of this cover sheet on all</li> </ul>				
other parties to the action or proceeding.				
<ul> <li>Unless this is a collections case under rule 3</li> </ul>	.740 or a complex case, this cover shee	t will be used for statistical purposes only.		
		Page 1 of 2		

## INSTRUCTIONS ON HOW TO COMPLETE THE COVER SHEET

CM-010

To Plaintiffs and Others Filing First Papers. If you are filing a first paper (for example, a complaint) in a civil case, you must complete and file, along with your first paper, the Civil Case Cover Sheet contained on page 1. This information will be used to compile statistics about the types and numbers of cases filed. You must complete items 1 through 6 on the sheet. In item 1, you must check one box for the case type that best describes the case. If the case fits both a general and a more specific type of case listed in item 1, check the more specific one. If the case has multiple causes of action, check the box that best indicates the primary cause of action. To assist you in completing the sheet, examples of the cases that belong under each case type in item 1 are provided below. A cover sheet must be filed only with your initial paper. Failure to file a cover sheet with the first paper filed in a civil case may subject a party, its counsel, or both to sanctions under rules 2.30 and 3.220 of the California Rules of Court.

To Parties in Rule 3.740 Collections Cases. A "collections case" under rule 3.740 is defined as an action for recovery of money owed in a sum stated to be certain that is not more than \$25,000, exclusive of interest and attorney's fees, arising from a transaction in which property, services, or money was acquired on credit. A collections case does not include an action seeking the following: (1) tort damages, (2) punitive damages, (3) recovery of real property, (4) recovery of personal property, or (5) a prejudgment writ of attachment. The identification of a case as a rule 3.740 collections case on this form means that it will be exempt from the general time-for-service requirements and case management rules, unless a defendant files a responsive pleading. A rule 3.740 collections case will be subject to the requirements for service and obtaining a judgment in rule 3.740.

To Parties in Complex Cases. In complex cases only, parties must also use the Civil Case Cover Sheet to designate whether the case is complex. If a plaintiff believes the case is complex under rule 3,400 of the California Rules of Court, this must be indicated by completing the appropriate boxes in items 1 and 2. If a plaintiff designates a case as complex, the cover sheet must be served with the complaint on all parties to the action. A defendant may file and serve no later than the time of its first appearance a joinder in the plaintiff's designation, a counter-designation that the case is not complex, or, if the plaintiff has made no designation, a designation that the case is complex. CASE TYPES AND EXAMPLES

#### **Auto Tort**

Auto (22)—Personal Injury/Property Damage/Wrongful Death Uninsured Motorist (46) (if the case involves an uninsured motorist claim subject to arbitration, check this item instead of Auto)

Other PI/PD/WD (Personal Injury/ Property Damage/Wrongful Death) Tort

Asbestos (04)

Asbestos Property Damage Asbestos Personal Injury/ Wrongful Death

Product Liability (not asbestos or toxic/environmental) (24)

Medical Malpractice (45)

Medical Malpractice-Physicians & Surgeons Other Professional Health Care

Maloractice

Other Pi/PD/WD (23)

Premises Liability (e.g., slip

and fail)

Intentional Bodily Injury/PD/WD (e.g., assault, vandalism)

Intentional Infliction of

**Emotional Distress** 

Negligent infliction of

**Emotional Distress** 

Other Pi/PD/WD

Non-Pi/PD/WD (Other) Tort

Business Tort/Unfair Business

Practice (07)

Civil Rights (e.g., discrimination,

false arrest) (not civil

harassment) (08)

Defamation (e.g., slander, libel)

(13)

Fraud (16)

Inteliectual Property (19)

Professional Negligence (25)

Legal Malpractice

Other Professional Malpractice

(not medical or legal) Other Non-PI/PD/WD Tort (35)

Employment

Wrongful Termination (36)

Other Employment (15)

#### Contract

Breach of Contract/Warranty (06)

Breach of Rental/Lease

Contract (not unlawful detainer or wrongful eviction)

Contract/Warranty Breach-Selier

Plaintiff (not fraud or negligence)

Negligent Breach of Contract/

Warranty

Other Breach of Contract/Warranty

Collections (e.g., money owed, open

book accounts) (09)

Collection Case-Seller Plaintiff

Other Promissory Note/Collections Case

Insurance Coverage (not provisionally complex) (18)

Auto Subrogation

Other Coverage

Other Contract (37) Contractual Fraud

Other Contract Dispute

#### Real Property

Eminent Domain/Inverse

Condemnation (14)

Wrongful Eviction (33)

Other Real Property (e.g., quiet title) (26)

Writ of Possession of Real Property

Mortgage Foreclosure

Quiet Title

Other Real Property (not eminent

domain, landlord/tenant, or

foreclosure).

## Unlawfui Detainer

Commercial (31)

Residential (32)

Drugs (38) (if the case involves illegal drugs, check this item; otherwise,

report as Commercial or Residential)

**Judicial Review** 

Asset Forfeiture (05)

Petition Re: Arbitration Award (11)

Writ of Mandate (02)

Writ-Administrative Mandamus

Writ-Mandamus on Limited Court

Case Matter

Writ-Other Limited Court Case

Review

Other Judicial Review (39)

Review of Health Officer Order

Notice of Appeal-Labor Commissioner Appeals

Provisionally Complex Civil Litigation (Cal. Rules of Court Rules 3,400-3,403)

Antitrust/Trade Regulation (03)

Construction Defect (10)

Claims Involving Mass Tort (40)

Securities Litigation (28)

Environmental/Toxic Tort (30)

Insurance Coverage Claims

(arising from provisionally complex

case type listed above) (41)

#### **Enforcement of Judgment**

Enforcement of Judgment (20)

Abstract of Judgment (Out of

County)

Confession of Judgment (non-

domestic relations)

Sister State Judgment

Administrative Agency Award

(not unpaid taxes)

Petition/Certification of Entry of

Judgment on Unpaid Taxes

Other Enforcement of Judgment

Case

#### Miscellaneous Civil Complaint

**RICO (27)** 

Other Complaint (not specified

above) (42)

**Declaratory Relief Only** 

Injunctive Relief Only (non-

harassment)

Mechanics Lien

Other Commercial Complaint

Case (non-tort/non-complex)

Other Civil Complaint

(non-tort/non-complex)

#### Miscellaneous Civil Petition

Partnership and Corporate

Governance (21)

Other Petition (not specified above) (43)

Civil Harassment

Workplace Violence

Elder/Dependent Adult Abuse

**Election Contest** 

Petition for Name Change

Petition for Relief from Late

Claim

Other Civil Petition

## SUMMONS (CITACION JUDICIAL)

NOTICE TO DEFENDANT: EASTMAN KODAK COMPANY (AVISO AL DEMANDADO):

YOU ARE BEING SUED BY PLAINTIFF: APPLE INC. (LO ESTÁ DEMANDANDO EL DEMANDANTE):

	SUM-100
FOR COURT USE (SOLO PARA USO DE L	A COPTE)
200 MG 25 F	29
24:77	Secure AND
	FILED 200 NG 25 F

NOTICE! You have been sued. The court may decide against you without your being heard unless you respond within 30 days. Read the information below.

You have 30 CALENDAR DAYS after this summons and legal papers are served on you to file a written response at this court and have a copy served on the plaintiff. A letter or phone call will not protect you. Your written response must be in proper legal form if you want the court to hear your case. There may be a court form that you can use for your response. You can find these court forms and more information at the California Courts Online Self-Help Center (www.courtinfo.ca.gov/selfhelp), your county law library, or the courthouse nearest you. If you cannot pay the filing fee, ask the court clerk for a fee waiver form. If you do not file your response on time, you may lose the case by default, and your wages, money, and property may be taken without further warning from the court.

There are other legal requirements. You may want to call an attorney right away. If you do not know an attorney, you may want to call an attorney referral service. If you cannot afford an attorney, you may be eligible for free legal services from a nonprofit legal services program. You can locate these nonprofit groups at the California Legal Services Web site (www.lawhelpcalifornia.org), the California Courts Online Self-Help Center (www.courtinfo.ca.gov/selfhelp), or by contacting your local court or county bar association. NOTE: The court has a statutory lien for waived fees and costs on any settlement or arbitration award of \$10,000 or more in a civil case. The court's lien must be paid before the court will dismiss the case. [AVISOI Lo han demandado. Si no responde dentro de 30 dias, la corte puede decidir en su contra sin escuchar su versión. Lea la información a continuación

Tiene 30 DÍAS DE CALENDARIO después de que le entreguen esta citación y papeles legales para presentar una respuesta por escrito en esta corte y hacer que se entregue una copia al demandante. Una carta o una llamada telefónica no lo protegen. Su respuesta por escrito tiene que estar en formato legal correcto si desea que procesen su caso en la corte. Es posible que haya un formulario que usted pueda usar para su respuesta. Puede encontrar estos formularios de la corte y más información en el Centro de Ayuda de las Cortes de California (www.sucorte.ca.gov), en la biblioteca de leyes de su condado o en la corte que le quede más cerca. Si no puede pager la cuota de presentación, pida al secretario de la corte que le dé un formulario de exención de pago de cuotas. Si no presenta su respuesta a tiempo, puede perder el caso por incumplimiento y la corte le podrá quitar su sueldo, dinero y bienes sin más advertencia.

Hay otros requisitos legales. Es recomendable que llama a un abogado inmediatamente. Si no conoce a un abogado, puede llamar a un servicio de

Hay otros requisitos legales. Es recomendable que llame a un abogado inmediatamente. Si no conoce a un abogado, puede llamar a un servicio de remisión a abogados. Si no puede pagar a un abogado, es posible que cumpla con los requisitos para obtener servicios legales gratuitos de un programa de servicios legales sin fines de lucro. Puede encontrar estos grupos sin fines de lucro en el sitio web de California Legal Services, (www.lawhelpcalifornia.org), en el Centro de Ayuda de las Cortes de California, (www.sucorte.ca.gov) o poniéndose en contacto con la corte o el colegio de abogados locales. AVISO: Por ley, la corte tiene derecho a reclamar las cuotas y los costos exentos por imponer un gravamen sobre cualquier recuperación de \$10,000 ó más de valor recibida mediante un acuerdo o una concesión de arbitraje en un caso de derecho civil. Tiene que pagar el gravamen de la corte antes de que la corte pueda desechar el caso.

he name a	nd add	ress of	the	court	is:
'El nombre j	y direct	ción de	la c	orte e	s)·

Superior Court 191 North First St.

CASE NOMBER: (Número del Casol)	V	7	8	7	0	Ç	7	
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San Jose, CA 95113 The name, address, and telephone number of plaintiff's attorney, or plaintiff without an attorn	ney, is:
(El nombre, la dirección y el número de teléfono del abogado del demandante, o del demand	dante que no tiene abogado, es):
GREGORY D. HULL, SB# 57367	Fax No. 650-82-3400
GREGORY D. HULL, SB# 57367 WEIL, GOTSHAL & MANGES LLP 201 Redwood Shores Parkway Redwood Shores, CA 94065 DATE:  (Fecha) AUG 2 7010 (Secretario) (For proof of service of this summons, use Proof of Service of Summons (form POS-010).)	Fax No. 650-82-1460
201 Redwood Shores Parkway	a takk.
Redwood Shores, CA 94065	
DATE:	, Deputy
(Fecha) AUG 2 6 2010 (Secretario)	(Adjunto
(For proof of service of this summons, use Proof of Service of Summons (form POS-010).)	
(Para prueba de entrega de esta citatión use el formulario Proof of Service of Summons, (PO	)S-010)).
NOTICE TO THE PERSON SERVED: You are served	
[SEAL] 1. as an individual defendant.	
2. as the person sued under the fictitious name of (spe	ecify):
<b>,</b>	
3. X on behalf of (specify): EASTMAN KODAK COM	PANY
under: X CCP 416.10 (corporation)	CCP 416.60 (minor)
CCP 416.20 (defunct corporation)	CCP 416.70 (conservatee)
ii CCP 416.40 (association or partnership)	CCP 416.90 (authorized person)
other (specify):	
4 by personal delivery on (date):	Page 1 of

1 MATTHEW D. POWERS (Bar No. 104795) STEVEN S. CHERENSKY (Bar No. 168275) 2 GREGORY D. HULL (Bar No. 57367) WEIL, GOTSHAL & MANGES LLP 270 TS 25 ₱ 3:29 3 201 Redwood Shores Parkway Redwood Shores, CA 94065 4 Telephone: (650) 802-3000 Facsimile: (650) 802-3100 5 matthew.powers@weil.com steven.cherensky@weil.com 6 greg.hull@weil.com 7 8 Attorneys for Plaintiff APPLE INC. 9 SUPERIOR COURT OF CALIFORNIA 10 COUNTY OF SANTA CLARA 1 1 0 C V 1 8 1 0 9 1 11 12 APPLE INC., Case No. 13 Plaintiff, **UNLIMITED CIVIL CASE** 14 COMPLAINT FOR BREACH OF v. CONTRACT, CONVERSION. 15 EASTMAN KODAK COMPANY DECLARATION OF OWNERSHIP, UNFAIR COMPETITION, AND BREACH 16 Defendant. OF CONFIDENCE 17 JURY TRIAL DEMANDED 18 **COMPLAINT** 1. This is a civil action brought by Plaintiff Apple Inc. ("Apple") to enjoin 19 Kodak from further profiting from Apple's intellectual property and to recover economic damages 20 and intellectual property from Defendant Eastman Kodak Company ("Kodak") as a result of 21 22 Kodak's breach of contract under Cal. Civ. Code § 3300 et seq.; Kodak's conversion; Kodak's acts 23 of unfair competition under the common law and Cal. Bus. & Prof. Code § 17200 and 17500 et 24 seq.; and Kodak's breach of confidence. 2. 25 As the paragraphs below detail, in the early 1990s Apple developed a digital camera architecture involving an LCD viewfinder for live motion preview of images. During this 26 period, Apple approached Kodak about potentially working with Apple to commercialize this 27 digital camera architecture. Apple revealed confidential details of its digital camera development 28 COMPLAINT FOR BREACH OF CONTRACT

1	program to Kodak. In breach of contractual and common law obligations—and unbeknownst to
2	Apple until recently—Kodak wrongfully took this information and claimed it as Kodak's own in
3	applying for and obtaining one or more United States patents. Kodak subsequently engaged in an
4	aggressive licensing campaign supported by at least one such patent, earning Kodak over \$1 billion.
5	3. In support of its complaint, Apple alleges as follows:
6	PARTIES
7	4. Apple is a corporation organized under the laws of California with its
8	principal place of business located at 1 Infinite Loop, Cupertino, California 95014.
9	On information and belief, Kodak is a corporation organized under the laws of New
10	Jersey with its principal place of business located at 343 State Street, Rochester, New York 14650.
11	<u>JURISDICTION</u>
12	5. This is an action arising under the laws of the State of California, including
13	Cal. Civ. Code § 3300 et seq. and Cal. Bus. & Prof. Code § 17200 and 17500 et seq. The damages
14	sustained by Apple are in excess of the jurisdictional minimum of this Court.
15	6. Personal jurisdiction exists over Kodak because, as set forth below, Kodak
16	has committed acts in this State that are the subject of Apple's claims herein and has injured Apple.
17	Kodak has specifically availed itself of the laws of California in doing so.
18	<u>VENUE</u>
19	7. Venue over Apple's claims is proper in this district pursuant to the
20	California Code of Civil Procedure § 395(a) because Kodak conducts business in Santa Clara
21	County, Apple is located in Santa Clara County, and many of the acts complained of occurred in
22	Santa Clara County.
23	BACKGROUND FACTS COMMON TO ALL CAUSES OF ACTION
24	I. Introduction
25	8. Apple is a leading designer and manufacturer of personal computers,
26	portable digital media players, and mobile communications devices. Apple's personal digital
27	media and communications products, such as the iPhone, the iPod line of digital media players, and
28	the iPad, are groundbreaking products that revolutionized their respective industries, enjoy
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enormous commercial success and popular acclaim, and continue to lead their fields in innovation, performance, and ease of use. Apple's product portfolio also includes its industry-leading line of Macintosh desktop and notebook computers, including the iMac and MacBook products such as the MacBook Pro and ultra-light MacBook Air, and its portfolio of software, such as the Mac OS X operating system that comes pre-installed on every Macintosh computer.

- 9. Apple's history of launching technically innovative and commercially successful products stems from its ongoing commitment to research and development ("R&D"). For decades Apple has made substantial investments in R&D in a wide variety of technical fields, including digital camera technology, computer hardware and software, graphical and touch-based user interfaces, digital media players, digital imaging, and personal communications. Substantially all of this R&D has been conducted by employees located at the company headquarters in Cupertino, Santa Clara County, California. The U.S. Patent and Trademark Office has awarded Apple patent protection for many of Apple's innovations, including patents relating to digital cameras, and Apple continues to seek and obtain patent protection for its recent and ongoing innovations.
- selling, inter alia, digital cameras and accessories. Kodak sells many of these products and services in Santa Clara County. But like its other operations, Kodak's sales and profits from the sale of these devices has declined substantially. Kodak has earned an annual profit only once since 2004. In 2009, Kodak's net loss amounted to \$210 million, and in 2008, its sales shrunk 19%. Kodak hired a new CEO in 2005, who turned to an aggressive patent litigation strategy as a means to generate cash for the company's operations. One patent to which Kodak has turned to make up for its inability to compete in the marketplace is U.S. Patent No. 6,292,218 (the "218 patent"), which claims a digital camera capable of capturing an image while previewing the scene to be captured on an LCD screen. Within the last two years, Kodak has filed a number of patent infringement actions based in part on the '218 patent, and has claimed to have received over one billion dollars in settlement of those litigations.

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11. In furtherance of its litigation strategy, on January 14, 2010, Kodak requested that the U.S. International Trade Commission ("ITC") institute an investigation to determine whether Apple's iPhone products—which contain a digital camera—violated Section 337 of the Tariff Act of 1930 by reason of Apple's purported infringement of the '218 patent. That complaint resulted in the institution of Investigation No. 337-TA-703 ("the 703 Investigation"). As part of that complaint, Kodak requested an order that would prohibit importation of all of Apple's current iPhone products into the United States, and enjoin Apple from selling any such products already in the United States. Kodak also filed a complaint asserting the '218 patent (along with another Kodak patent) in the United States District Court for the Western District of New York (Civil Action No. 6:10-CV-06021) ("the '021 case") seeking monetary damages based on Apple's alleged infringement of the '218 patent. Given the potential economic severity of Kodak's requested relief, in early 2010, Apple launched an extensive internal investigation into Apple's prior relationship with Kodak in the 1990s to determine what Apple disclosed to Kodak concerning the development of digital camera technology. Apple's investigation, summarized in sections II-IV below, revealed that Apple is the rightful owner of the '218 patent pursuant to disclosures made by Apple to Kodak and contracts made between the parties in the early 1990s. Indeed, Apple disclosed the architecture for its confidential digital camera technology to Kodak subject to non-disclosure agreements, which also provided that any improvements Kodak made to Apple's disclosures remain the property of Apple. By using Apple's disclosures to draft and prosecute the '218 patent and claim ownership thereof, Kodak is in breach of its agreements with Apple, has unlawfully converted Apple's intellectual property for Kodak's use, and has improperly reaped substantial benefits from such conversion. Kodak has also breached its duty of confidence owed to Apple and has engaged in unfair competition.

## II. Apple and the Relevant Technology

12. By the early 1990s, Apple was already researching a variety of digital camera technologies within its Advanced Technology Group. In 1992, the typical consumer camera user was a film camera that needed to be held up to the user's face in order to capture an image. Apple developed prototypes and completed user studies to explore possible digital camera

implementations. This research sparked enough interest within Apple that Apple began investigating whether the research could be developed into a viable product. Apple employee Eric Zarakov and his team eventually developed a set of features and an architecture for a digital camera.

- 13. The camera architecture was developed around the central concept of a digital still camera with an LCD viewfinder for live color preview, including sound annotations for still images, review and playback of images and sounds, and easy transfer of the images to a computer or other digital device.
- 14. As early as February 1992, Apple had built a working prototype to demonstrate the experience of using a color display as a live viewfinder and review tool.
- 15. During Apple's development of the digital camera architecture, Apple sought potential original equipment manufacturer ("OEM") to work with Apple to commercialize and manufacture the camera. Because Apple's core expertise was in computers and digital processing, Apple looked for OEMs with experience producing sensors, lens systems, and displays it could use to implement the architecture Apple had designed. Kodak was one such potential OEM.

## III. The Relationship Between Apple and Kodak

- 16. Apple formalized an agreement with Kodak in early 1990. Apple and Kodak explored how the two companies could work together on various projects, including the commercialization of Apple's digital cameras. Apple was considering whether Kodak could supply certain components for its digital camera. In 1991 and 1992, representatives from Apple and Kodak met to discuss digital camera technology. Named inventors of the '218 patent, Timothy Tredwell and Kenneth Parulski, each attended at least one such meeting each.
- 17. One such meeting occurred on November 17 and 18, 1992, in Rochester, New York. Apple and Kodak met to discuss more specifically what Kodak could offer as part of Apple's development of Apple's proposed digital camera architecture. Apple employees Eric Anderson, Eric Zarakov, and Scott Fullam attended that meeting. A named inventor of the '218 patent, Timothy Tredwell, among others, attended the meeting for Kodak. At that meeting, Apple

presented to Kodak the confidential architecture and design of Apple's digital camera, and Kodak presented to Apple information about Kodak's lenses and CCDs. Members of Apple's digital camera project team met with members of Kodak's imaging department, and Apple disclosed to Kodak's imaging department the architecture for a digital still camera with live color preview. Apple also disclosed the use of a high-powered, multitasking processor.

- 18. Apple's disclosures to Kodak at the November 17–18, 1992 meeting are confirmed in contemporaneous documents. For example, Mr. Zarakov of Apple sent a letter to David Lewis of Kodak on January 25, 1993 in order to commemorate the details of Apple's disclosure to Kodak. Specifically, Mr. Zarakov described that Apple disclosed a digital signal processor as a microprocessor, as well as certain video subsystem architectures. In a voicemail transcribed at the time it was received, Mr. Lewis of Kodak acknowledged receipt of Mr. Zarakov's letter without disputing Mr. Zarakov's description of what Apple disclosed.
- 19. Apple made another presentation to Kodak on February 19, 1993, specifying details such as the resolution and color filter pattern of the CCD and the LCD display. The February 1993 presentation also further memorialized the processing of still images disclosed by Apple to Kodak at the November 17–18, 1992 meeting and as described in a November 24, 1992 technical overview presentation.
- 20. In parallel with the February 19, 1993 presentation, Mr. Fullam drafted several block diagrams showing the components of Apple's camera architecture that supported still image capture and live color viewfinder. Those block diagrams further evidence the state of the development project at Apple in February 1993.
- 21. Kodak worked together with Apple to develop the Apple QuickTake 100 camera, released in early 1994. That camera did not include Apple's live color preview architecture, but the digital imaging personnel at Apple continued to develop a digital still camera with live color preview. The core aspects of the live color preview camera architecture were incorporated into next-generation camera projects. These camera projects were also proposed by Apple to third parties, including Sanyo, and were ultimately developed by Apple in co-operation with Kodak.

22. In 1996, Apple's digital camera projects and certain of Apple's digital camera intellectual property and personnel were transferred to a company called FlashPoint. Apple's camera architecture, comprising a digital still camera with live color preview, was incorporated into a number of cameras using Apple's concept that were jointly developed by Kodak and FlashPoint, and sold by Kodak, including the Kodak DC-220, DC-260, DC-265, and DC-290.

23. During this period of cooperation, unbeknownst to Apple, Kodak was secretly taking Apple's innovations and claiming them as Kodak's own in at least one patent application filed with the U.S. Patent and Trademark Office. That application, which ultimately issued as the '218 patent, describes and appears to be based upon technology included in the confidential, proprietary disclosures Apple made to Kodak in the 1992-1993 time period.

## IV. The Agreements Between Apple and Kodak

24. Both Apple and Kodak understood that the discussions between them included the exchange of confidential information, and that each party would protect and respect the confidential information of the other, neither disclosing it to anyone else nor misusing the information for its own benefit. Indeed, the disclosures described above that were made by Apple to Kodak were made subject to non-disclosure agreements. The non-disclosure agreements contain provisions that any patentable improvements made to information disclosed under the non-disclosure agreement belong to the discloser and *not* the party who made the improvement. One such agreement signed by Kodak and Apple was dated December 20, 1994—ten days prior to the filing of the application that led to the '218 Patent.

- 25. The 1994 agreement governed the parties' rights, both with regard to past and future work and specifies that any derivative work belongs to the company that made the original disclosure upon which the derivative work was based.
- 26. Another agreement is a confidentiality agreement between Apple and Kodak dated February 28, 1991—the same date that Apple and Kodak met to discuss, among other things, low-cost digital cameras. This agreement likewise has a provision specifying that any derivatives of information disclosed remain the property of the discloser. The five-year term of this agreement extends beyond the filing date of the application that led to the '218 Patent. Thus,

under the 1991 agreement, Apple owns any patent derived from confidential information provided by Apple.

- 27. There is no doubt that Apple considered its proprietary digital camera designs to be confidential. Mr. Zarakov wrote Mr. Lewis to notify him of that fact. Included with that letter were three figures reflecting various proprietary architectures disclosed to Kodak. There is also no doubt that Kodak had notice of that fact and agreed to it. As explained above, Mr. Lewis left a voicemail for Mr. Zarakov acknowledging receipt of a letter from Apple informing Kodak that Apple considered its architecture to be confidential.
- 28. Apple satisfied its confidentiality and other obligations under its agreements with Kodak.

## V. Kodak's Wrongful Acts

- Apple revealed its confidential information to Kodak in confidence, which Kodak unlawfully used to prepare its application for the '218 patent. The purpose of the patent system is to encourage innovation by conferring on the patent holder a limited right to control who can use its invention. Part of that control includes the ability to exclude others from using the patented invention, as well as the ability to issue exclusive or nonexclusive licenses to the patented invention, which can be extremely lucrative, as it has been for Kodak based on its litigation efforts related to the '218 patent.
- 30. Kodak's agreements that any derivatives based on Apple's disclosures remain Apple's property makes Apple the rightful owner of the '218 patent. Moreover, Kodak's agreement to assign ownership to Apple on derivatives of Apple's disclosures gives Apple equitable rights in the '218 Patent. Additionally, Kodak's use of Apple's confidential information and its failure to disclose and assign its rights to the '218 patent to Apple constitute breaches of the parties' agreements and has unjustly enriched Kodak. Kodak has also unlawfully converted Apple's intellectual property into its own property, has breached its duty of confidence with Apple, and has committed acts of unfair competition.
- 31. As explained above, Kodak has recently enjoyed litigation settlements and royalties for the '218 patent that amount to over \$1 billion. Kodak has further been unjustly

enriched at least in these amounts, and Apple has suffered and will continue to suffer actual damages by Kodak's unlawful assertion of ownership rights in the '218 patent. Indeed, Kodak has gone so far as to assert the '218 patent against Apple, thereby forcing Apple to incur attorneys' fees and other expenses in defending itself.

## VI. Statutes of Limitations

- 32. The causes of action alleged below carry either a two, three, or four-year statute of limitations, placing the operative date in August of 2008, 2007, or 2006.
- 33. California uses the "discovery rule" to determine when a cause of action accrues for purposes determining the statute of limitations. A claim accrues when the plaintiff discovers, or could have discovered through reasonable diligence, the injury and its cause.
- 34. Apple did not discover, and could not have discovered through reasonable diligence, Kodak's wrongful acts prior to August of 2008. Indeed, Kodak's very failure to disclose to Apple its improvements on Apple's technology prevented Apple from having any knowledge of Kodak's wrongful acts; Kodak secretly pursued the '218 patent without informing Apple of its activities.
- 35. Kodak holds thousands of patents, and Apple could not have discovered through reasonable diligence prior to August 2008 that any one of those patents might implicate Apple's rights arising out of the parties' relationship in the early 1990s. In California, a plaintiff is under no duty to continuously monitor a defendant's activities to determine if a cause of action exists. Moreover, the '218 patent did not issue until 2001, some eight years after the parties' relationship had grown stale.
- 36. Kodak and Apple had additional discussions in the 2007-2008 time frame, but, again, at no time during that period did Kodak assert or otherwise identify the '218 patent. Thus, Apple could not have discovered the wrongful acts committed by Kodak until after October 2008, when Kodak first brought the '218 patent to Apple's attention.

FIRST CAUSE OF ACTION 1 (Breach of Contract) 2 3 37. Apple incorporates by reference paragraphs 1 through 36 as though fully set 4 forth herein. 5 38. Apple and Kodak entered into various contracts, including contracts dated 6 February 28, 1991 and December 20, 1994. Kodak committed significant acts in violation of these 7 various contracts, and Kodak failed to perform other significant acts that the various contracts 8 required Kodak to do. For example, Kodak breached the 1991 agreement in multiple ways, 9 including: 1) by unlawfully using Apple's confidential information without Apple's consent, 2) 10 by unlawfully claiming ownership of the '218 patent, and 3) by failing to grant Apple a royalty-free 11 license to the '218 patent and/or acknowledging Apple's ownership of the '218 patent. Kodak 12 likewise breached the 1994 agreement in multiple ways, including: 1) by unlawfully using 13 Apple's confidential information without Apple's consent, 2) by claiming ownership of the '218 patent, 3) by failing to disclose to Apple Kodak's derivative work, and 4) by failing to assign to 14 15 Apple Kodak's rights to the '218 patent. 16 39. At no time was Kodak excused from having to perform all of the significant 17 acts that the contracts required, nor was Kodak permitted to commit acts in violation of the 18 contracts. Likewise, Apple has satisfied its obligations under its various agreements with Kodak. 19 40. Apple has been and continues to be harmed significantly from Kodak's 20 breach of contract. 21 SECOND CAUSE OF ACTION (Conversion) 22 23 41. Apple incorporates by reference paragraphs 1 through 36 as though fully set 24 forth herein. 25 42. Apple had ownership rights to the intellectual property it disclosed to Kodak 26 in the early 1990s concerning digital camera technology, and to all improvements thereon. Kodak 27 received Apple's intellectual property and made improvements to it in filing and prosecuting the 28 applications that led to the '218 patent. Kodak intentionally took possession of Apple's

COMPLAINT FOR BREACH OF CONTRACT

enjoined in any court of competent jurisdiction. The court may make such orders or judgments . . . as may be necessary to prevent the use or employment by any person of any practice which constitutes unfair competition, as defined in this chapter, or as may be necessary to restore to any person in interest any money or property, real or personal, which may have been acquired by means of such unfair competition."

52. The acts described in paragraphs 1 through 36 of this Complaint constitute unlawful, unfair, and/or fraudulent business acts or practices on the part of Kodak.

## (Unfair Business Acts)

53. Given the exclusionary power that a patent conveys, Kodak's actions have had a direct, discernible and anticompetitive impact on competition; that said anticompetitive conduct included, *inter alia*, Kodak's unfair demand for the royalties that Kodak has exclusively extracted from competitors in the marketplace for access to the '218 patent; in addition, Kodak has unfairly asserted a right and an ability to exclude others, including Apple, from practicing the disclosed invention. The above mentioned conduct, which has occurred as a result of Kodak's unfair use of the information disclosed to Kodak by Apple in confidence, has significantly threatened and harmed competition, and has therefore engaged in unfair conduct which constitutes unfair competition under § 17200 et seq. of the Business & Professions Code of the State of California.

## (Unlawful Business Acts)

54. Apple invested substantial sums of money in the research and development of digital camera technology. Apple disclosed that technology to Kodak in confidence and pursuant to non-disclosure agreements, with the hopes of a possible joint development of digital camera projects. Kodak was prohibited from using Apple's technology or any improvements thereon, and from claiming ownership of Apple's technology or any improvements thereon. Kodak was further required to disclose to Apple any derivative works, and to assign to Apple the rights to any such derivative works. Rather than abiding its contractual obligations, Kodak instead used Apple's disclosure to prosecute an application for a U.S. patent, and claimed Apple's technology as its own. By doing so, Kodak has earned over a billion of dollars in litigation

settlements and royalties. In addition, and by reason of said conduct, Kodak violated one or more of the following statutes and regulations: 35 U.S.C. §§ 115 and 116; and 37 CFR 1.56 and 19 CFR 210.4, and has therefore engaged in unlawful conduct which constitutes unfair competition under §§ 17200 et seq. of the Business & Professions Code of the State of California.

55. Apple has been and continues to be harmed significantly from Kodak's wrongful acts.

## (Common Law Unfair Competition)

56. That by reason of the facts and circumstances mentioned above, Kodak has engaged in common law unfair competition; rather than abiding its contractual obligations, Kodak unlawfully used Apple's disclosures to prosecute an application for a U.S. patent and thereby passed off Apple's technology as its own.

# FIFTH CAUSE OF ACTION (Breach of Confidence)

- 57. Apple incorporates by reference paragraphs 1 through 36 as though fully set forth herein.
- 58. The acts described in paragraphs 1 through 36 of this complaint constitute a breach of confidence by Kodak against Apple under the common law of the State of California.
- 59. Under the common law of California, a breach of confidence claim arises when (1) an idea, whether or not protectable, is offered to another in confidence, (2) is voluntarily received in confidence with the understanding that it is not to be disclosed, and (3) is not to be used by the receiving party beyond the limits of the confidence without express permission provided.
- 60. The information that Apple disclosed to Kodak, as described above, was highly confidential in nature. Apple took steps to protect the confidentiality of this information, including by entering into non-disclosure agreements with Kodak. Apple disclosed the information to Kodak in confidence, pursuant to the non-disclosure agreements. Pursuant to these agreements, Kodak had a duty of confidence not to use the information that Apple disclosed, and to disclose to Apple any works derived from Apple's disclosure.

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I	9. For such other	and further relief and damages as the Court deems proper.
2	Dated: August 25, 2010	WEIL, GOTSHAL & MANGES LLP
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4	4	By: regarifathall
5	5	Matthew D. Powers Gregory D. Hull
6	5	Attorneys for Plaintiff APPLE INC.
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